

## How To Study Economics

I generally assume students have figured out how to study by the time they are taking 3<sup>rd</sup> year courses. However, economists are known for making unrealistic assumptions at times and it's quite possible no one has ever told you how to study economics. So here are some tips that should come in handy if you're not already putting them into practice. Today is not too late to implement these suggestions, though tomorrow might be!

*Don't study like it's high school.* Sadly, most students have been taught to memorize facts and figures by their high school teachers. This is a terrible mistake because it's a waste of a good brain to memorize stuff and it makes learning terribly boring. But that's probably what you were taught to do. Stop doing it. You're wasting your life if you're memorizing (and avoid classes that make you memorize—unless there's some really high payoff to taking them...like taking organic chemistry to get into med school). Think of it this way. If life was about solving predictable challenges, then we'd teach you what those challenges were and exactly how to solve them, and life would be easy. But life's biggest challenges are unpredictable and solutions are made up on the fly. No one will ever solve a major problem like climate change or develop a great new product like the iPad based on memorizing stuff. They'll do it by thinking.

*Learn by doing.* You can learn some facts and figures by reading, but the best way to learn economic models is by "playing" with them. You have to manipulate them, think about their assumptions, tweak them, and really get inside them to figure out how they work. The best way to do this is by working problems, drawing pictures, asking questions, and answering your own questions. At the end of every study session, you should have a big pile of scrap paper at your feet with your scribbles all over.

*Uncover the intuition.* You can solve problems by memorizing sets of rules, but this won't get you very far on an exam or in the real world. We want you to learn how to "think like an economist." This means thinking carefully and analytically about incentives and how people and firms respond to these incentives. The more you can develop an intuition for a model, the more that model will serve to deepen your understanding of the various phenomena it's meant to explain. Also, if you understand something intuitively, you're unlikely to forget it. Most economic principles (e.g.  $MSC=MSB$  for efficiency,  $MPC=MPB$  for equilibrium) arise over and over in different contexts. If you develop the intuition once, you'll very quickly understand different situations where the same basic intuition applies. So why does it make sense that for efficiency we need  $MSC=MSB$ ? Why does it make sense that in equilibrium we should see  $MPC=MPB$ ?

*Ask your own questions.* Don't just memorize that the supply curve slopes upward. Ask yourself "why does it slope upward?" and figure out the answer to that question.

The moment where you go from being a student who needs a teacher to a student who can teach him or herself is the moment you begin asking and seeking answers to your own questions. University isn't about your professors feeding you the truth (because there's no one truth—just different ways of thinking that make more or less sense). Instead of feeding you “the truth” we're meant to be turning you into critical analysts of the world around you. Don't just accept what we say. Think about it, decide what the strengths and weaknesses of our arguments are, and then see if you can explain things better yourself. A small way to start this is to take questions we ask you (in problem sets, lecture, etc.) and think of other relevant questions to ask yourself. Then try to answer them using the analytical tools we've given you. Now, as you ask yourself deeper and deeper questions, you may come to the conclusion that economics is a load of rubbish, and choose to reject it as a way of thinking. That's fine, especially if you base your argument on sound reasoning (it's easy to take cheap shots at economics, but harder to refute it with strong arguments). But just because you don't buy it doesn't mean you're off the hook for learning the models. Economics may not be able to perfectly explain the world around us, but that doesn't mean there isn't a correct answer to a given exam question!

*Talk to others.* People learn best by communicating about ideas with other people. This is why we gather on university campuses to learn from and teach each other. The image of the hard working student who pours over books and notes in isolation isn't actually the right way to think about optimal learning. Talk to other students and talk to your professors if you don't understand something. The act of asking a question of someone will, in itself, focus your thinking. And much time and frustration can be saved by chatting through a stumbling block with another person. Definitely push yourself to answer questions first. But don't push yourself over the edge.

*Practice.* Any skill you want to hone requires practice, whether it's athletic, artistic, or analytical. Learning economics is like learning to play the piano. You have to practice it regularly and deliberately if you want to make substantial progress. If you practice piano carelessly and fail to think about the sound you're producing, focus on difficult passages, etc. you won't learn to play very well. Your sound will be poor and you'll probably continue to mess up the difficult passages. Similarly, if you study economics by cramming for exams, memorizing how a curve shifts under different circumstances, or how to solve for an efficient allocation, your understanding will be superficial and not up to the test of a challenging exam question (or even a fairly basic exam question that's a bit different from the questions you've memorized answers to). The best way to practice is to do a little bit every day, and to do the practice in a deliberate way where you think carefully about what you're doing, focus on your strengths and weaknesses, and direct your energies to fixing the weak spots.

*Persist.* Learning how to study well doesn't produce results overnight. You may spend several hours trying to implement the suggestions here without feeling like

anything's changing. But think of the last time someone showed you a new workout technique. Did it produce results overnight? You might have felt a little different, but you probably weren't any stronger or tougher looking the next day. Exercises of the brain are like exercises of the body. They take time to show results. Think of these study tips as new habits to learn. You'll have to push yourself to implement them properly. But I think you'll be more successful, happier, and more engaged in economics if you do.